

**Agenda:** Pre-Modification Panel Briefing  
**Meeting Details:** 13:00, 18 April 2016  
**Teleconference:** 0207 950 1251, access code 21870295#  
**Documentation at:** <http://www.gasgovernance.co.uk/panel/210416>

Dear Colleague,

Please note that we will be hosting a pre-Modification Panel briefing by teleconference starting at **13:00 on Monday 18 April 2016**. Discussions will be based on the Modification Panel agenda (<http://www.gasgovernance.co.uk/panel/210416>).

This pre-Panel briefing is intended to provide, in particular, an opportunity for smaller parties, including customer representatives as well as smaller Shippers and Suppliers, an opportunity to feed views into the modification process at critical stages. We therefore expect to focus on new Modifications and those on which the Panel will debate whether or not implementation is supported. Similar teleconferences are held prior to each monthly Modification Panel meeting (third Thursday of the month). Any views on which information would be most helpful to you, or on the time and format of the teleconference, would be welcome.

Modifications that are on this month's Panel agenda are:

### ***New Modifications***

#### **Modification 0579 – Updating code to reflect the correct ‘Designated Person’**

Proposed by British Gas

This housekeeping modification seeks to update the UNC Modification Rules to reflect Ofgem’s decision to appoint the Joint Office as the Designated Person for appointing User representatives to Panel and UNC sub-committees.

The Proposer is seeking fast-track self-governance status for this modification.

<http://www.gasgovernance.co.uk/0579>

#### **Modification 0580 – Implementation of Non Effective Days to enable Annual AQ Review (independent of Nexus transition)**

Proposed by Scotia Gas Networks

This modification proposes to introduce four non-effective days in September 2016 to allow the data processing required for the annual AQ review to take place. The transfer of registration process is not extended.

The Proposer is seeking self-governance status for this modification.

<http://www.gasgovernance.co.uk/0580>

#### **Modification 0581 – Amending the Oxygen content limit specified in the Network Entry Agreements at Grain LNG**

Proposed by British Gas Trading

This modification proposes to enable an increase to the oxygen content limit of gas permitted by the three relevant Network Entry Agreements at Grain LNG. The proposed level of 200ppm is to provide access to wider LNG cargoes. It is well within the Gas Safety (Management) Regulations limit (2000ppm) and is consistent with many other entry points.

The Proposer is seeking self-governance status for this enabling modification and recommends that it should proceed directly to consultation.

<http://www.gasgovernance.co.uk/0581>

## ***Implementation Recommendations***

### **Modification 0541A/0541B – Removal of uncontrollable UNC charges at ASEPs which include sub-terminals operating on a 06:00 to 06:00 Gas Day**

Proposed by BP/Gazprom

These modifications propose to address a consequence of the change to the GB Gas Day (under Modification 0461) to an 05.00 start on 01 October 2015. This change has only been applied, via the UNC, to the downstream system and some gas entry terminals continue to operate to the prior 06.00 arrangements.

The Shipper's Claims Validation Agent would therefore receive terminal data on a '6 to 6' basis and NTS data on a '5 to 5' basis. Allocating flows on the basis of different aggregate daily quantities will produce a mismatch. The Proposers believe this is not a result of a failure to balance and is not something they can mitigate, nor is the treatment of the monies raised consistent with the EU Regulation that brought about the change in the first instance.

0541A proposes to set the 'time shift charges' to zero by using the '6-6' UDQI at affected terminals, whereas 0541B proposes to reimburse affected Users by adjusting certain invoices.

Of the 17 representations received, implementation of both 0541A and 0541B was supported by 16 respondents, with the remaining respondent supporting neither. Of those who expressed a preference, 8 opted for 0541A and 1 for 0541B. Representations were lengthy and too detailed to summarise in this email. Panel members will be asked whether consultation responses have raised any new relevant issues that should be assessed by the Workgroup or, if not, whether they recommend implementation.

<http://www.gasgovernance.co.uk/0541>

### **Modification 0572 – Amendment to the definition of AUG Year within UNC TPD Section E**

Proposed by British Gas

This modification proposes to amend the AUG Year (as introduced by 0473 "Project Nexus – Allocation of Unidentified Gas") to start on 01 October each year instead of 01 April. This change would mean that the AUG Table would be applied 3 months after

finalisation on 01 July instead of the 9 months implemented by 0473. It is believed that this aligns more closely with the timescales in the existing arrangements.

Of the 9 representations received, implementation was supported by 6 respondents, 1 provided comments and 2 did not support implementation. Respondents in support generally agreed with the proposer that using the most up-to-date data was appropriate, whilst others believed the case had not been proven. Panel members will be asked whether consultation responses have raised any new relevant issues that should be assessed by the Workgroup or, if not, whether they recommend implementation.

<http://www.gasgovernance.co.uk/0572>

## ***Self-Governance Implementation***

### **Modification 0577S – Aligning UNC to the indirect clearing model operated by ICE Endex**

This modification proposes minor changes to align TPD Section D to the new indirect clearing model operated by ICE Endex since 24 February 2016. It has no dependency on the recent Modification 0568 “Security Requirements and Invoice Payment Settlement Cycle for the Trading System Clearer”.

Of the 2 representations received, implementation was unanimously supported; respondents agreed with the proposer that this was a proportionate measure. Panel members will be asked whether consultation responses have raised any new relevant issues that should be assessed by the Workgroup or, if not, whether the modification should be implemented.

<http://www.gasgovernance.co.uk/0577>

I hope this summary is helpful.

Regards,

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UNC related documents can be accessed via our website: [www.gasgovernance.co.uk](http://www.gasgovernance.co.uk)